

FISCAL IMPACT STATEMENT ON BILL NO. **S. 572**

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TO:	The Honorable Hugh Leatherman, Chairman, Senate Finance Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Tricia Tangney and R.J. Stein		
DATE:	March 22, 2005	SBD:	2005322
AUTHOR:	Senator Leatherman	PRIMARY CODE CITE:	11-35-25
SUBJECT:	Procurement Code Supersedes Any Conflicting Law		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

BILL SUMMARY:

This Bill provides that the South Carolina Consolidated Procurement Code supersedes any other conflicting law, provides that the chief procurement officer and affected local governmental bodies may participate in matters pending before the Procurement Review Panel, authorizes the Chief Executive Officer of the Budget and Control Board to designate the appropriate office or officers in the Board to provide procurement services, includes information technology in the procurement process, requires that governmental bodies have a goal that ten percent of its total procurement be spent with a minority business enterprise (MBE), increases the tax credit for dealing with an MBE to fifty thousand dollars, and makes numerous technical changes to the procurement code.

EXPLANATION OF IMPACT:

The Budget and Control Board

This Bill authorizes the Chief Executive Officer of the Budget and Control to designate the appropriate office in the Board to provide procurement services. As the Board does not anticipate any change in staffing levels or other operating costs associated with procurement at this time, this Bill will have no impact on the General Fund of the State, or on Federal and/or Other Funds.

Department of Commerce

Section 11-35-1150 (4) of this Bill authorizes the Division of Aeronautics to act as its own purchasing agency for all procurements or maintenance services for aircraft and procurements in the \$1,500 to \$5,000 range. At this time, the Department of Commerce reports that they do not anticipate any fiscal impact on the General Fund of the State, or on Federal and/or Other Funds.

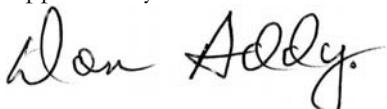
The Procurement Review Panel

Section 11-35-4410 (5) of this Bill eliminates the ability of the Procurement Review Panel to appoint a hearing officer to conduct an administrative review. Since the cost to hire a hearings officer is approximately the same as bringing all members of the Panel to Columbia for an administrative review, this Bill will have no impact on the General Fund of the State, or on Federal and/or Other Funds.

Office of Executive Policy and Programs Minority Affairs

The Minority Affairs Division reports this Bill will have no impact on the General Fund of the State, or on Federal and/or Other Funds.

Approved by:



Don Addy
Assistant Director, Office of State Budget